

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

IN RE:

**WATSON GRINDING &
MANUFACTURING CO.,**

Debtor.

CASE NO. 20-30967

(Chapter 11)

**CLEAR BLUE INSURANCE
COMPANY, UNITED PROPERTY &
CASUALTY INSURANCE
COMPANY, GEOVERA SPECIALTY
INSURANCE COMPANY,
WESTCHESTER SURPLUS LINES,
ACE AMERICAN INSURANCE
COMPANY, CHUBB LLOYDS
INSURANCE COMPANY OF TEXAS,
CHUBB NATIONAL INSURANCE
COMPANY, MERIDIAN SECURITY
INSURANCE COMPANY,
SPINNAKER INSURANCE
COMPANY, INSURORS
INDEMNITY COMPANY,
VELOCITY RISK UNDERWRITERS
INC., ZURICH AMERICAN
INSURANCE COMPANY, CERTAIN
UNDERWRITERS AT LLOYDS,
LONDON SUBSCRIBING TO
POLICY HVH-0002244-1,
UNDERWRITERS AT LLOYDS,
LONDON SUBSCRIBING TO
POLICY NOS. AMR-62258-01, AMR-
66045, AMR-64314-01, INDIAN
HARBOR INSURANCE COMPANY,
QBE SPECIALTY INSURANCE
COMPANY, STEADFAST
INSURANCE COMPANY, GENERAL
SECURITY INDEMNITY COMPANY
OF ARIZONA, UNITED SPECIALTY
INSURANCE COMPANY,
LEXINGTON INSUARANCE
COMPANY, SAFETY INSURANCE
COMPANY, HDI GLOBAL**

ADVERSARY NO. _____

SPECIALTY SE, OLD REPUBLIC UNION INSURANCE COMPANY, TOKIO MARINE KILN, AMERICAN SECURITY INSURANCE COMPANY, VOYAGER INDEMNITY INSURANCE COMPANY, AMERICAN BANKERS INSURANCE COMPANY OF FLORIDA, SENTRY INSURANCE A MUTUAL COMPANY, PENN AMERICAN INSURANCE COMPANY, UNITED NATIONAL INSURANCE COMPANY, STARR INDEMNITY & LIABILITY COMPANY, METROPOLITAN PROPERTY & CASUALTY COMPANY, UNITRIN PREFERRED INSURANCE COMPANY, PRIVILEGE UNDERWRITERS RECIPROCAL EXCHANGE, FEDNAT INSURANCE COMPANY, AND UNIVERSAL INSURANCE COMPANY OF NORTH AMERICA,

Plaintiffs,

V.

**WATSON VALVE SERVICES, INC.,
WATSON GRINDING AND
MANUFACTURING CO., KMHJ,
LTD., KMHJ MANAGEMENT
COMPANY, LLC, WESTERN
INTERNATIONAL GAS &
CYLINDERS, INC., AND
MATHESON TRI-GAS, INC.,**

Defendants.

NOTICE OF REMOVAL

Watson Grinding & Manufacturing Co. (the “Debtor”) files this Notice of Removal of the state court action styled *Clear Blue Insurance Company, United Property & Casualty Insurance Company, Geovera Specialty Insurance Company, Westchester Surplus Lines, Ace American Insurance Company, Chubb Lloyd’s*

Insurance Company of Texas, Chubb National Insurance Company, Meridian Security Insurance Company, Spinnaker Insurance Company, Insurors Indemnity Company, Velocity Risk Underwriters Inc., Zurich American Insurance Company, Certain Underwriters at Lloyd's, London Subscribing to Policy HVH-0002244-1, Underwriters at Lloyd's, London Subscribing to Policy Nos. AMR-62258-01, AMR-666045, AMR-64314-01, Indian Harbor Insurance Company, QBE Specialty Insurance Company, Steadfast Insurance Company, General Security Indemnity Company of Arizona, United Specialty Insurance Company, Lexington Insurance Company, Safety Insurance Company, HDI Global Specialty SE, Old Republic Union Insurance Company, Tokio Marine Kiln, American Security Insurance Company, Voyager Indemnity Insurance Company, American Bankers Insurance Company of Florida, Sentry Insurance A Mutual Company, Penn American Insurance Company, United National Insurance Company, Starr Indemnity & Liability Company, Metropolitan Property and Casualty Company, Unitrin Preferred Insurance Company, Privilege Underwriters Reciprocal Exchange, Fednet Insurance Company, and Universal Insurance Company of North America vs. Watson Valve Services, Inc., Watson Grinding and Manufacturing Co., KMHJ, Ltd., KMHJ Management Company, LLC, Western International Gas & Cylinders, Inc., and Matheson Tri-Gas, Inc., Cause No. 2020-37921, pending in the 234th Judicial District Court of Harris County, Texas (the "State Court Action").

I. Procedural Background and Nature of Suit

1. On June 24, 2020, Clear Blue Insurance Company, United Property & Casualty Insurance Company, Geovera Specialty Insurance Company, Westchester Surplus Lines, Ace American Insurance Company, Chubb Lloyd's Insurance Company of Texas, Chubb National Insurance Company, Meridian Security Insurance Company, Spinnaker Insurance Company, Insurors Indemnity Company, Velocity Risk Underwriters Inc., Zurich American Insurance Company, Certain Underwriters at Lloyd's, London Subscribing to Policy HVH-0002244-1, Underwriters at Lloyd's, London Subscribing to Policy Nos. AMR-62258-01, AMR-666045, AMR-64314-01, Indian Harbor Insurance Company, QBE Specialty Insurance Company, Steadfast Insurance Company, General

Security Indemnity Company of Arizona, United Specialty Insurance Company, Lexington Insurance Company, Safety Insurance Company, HDI Global Specialty SE, Old Republic Union Insurance Company, Tokio Marine Kiln, American Security Insurance Company, Voyager Indemnity Insurance Company, American Bankers Insurance Company of Florida, Sentry Insurance A Mutual Company, Penn American Insurance Company, United National Insurance Company, Starr Indemnity & Liability Company, Metropolitan Property and Casualty Company, Unitrin Preferred Insurance Company, Privilege Underwriters Reciprocal Exchange, Fednet Insurance Company, and Universal Insurance Company of North America vs. Watson Valve Services, Inc., Watson Grinding and Manufacturing Co., KMHJ, Ltd., KMHJ Management Company, LLC, Western International Gas & Cylinders, Inc., and Matheson Tri-Gas, Inc., (collectively, the “Plaintiffs”) filed an Original Petition (the “Original Petition”) against Watson Valve Services, Inc., Watson Grinding and Manufacturing Co., KMHJ, Ltd., KMHJ Management Company, LLC, Western International Gas & Cylinders, Inc., and Matheson Tri-Gas, Inc. (collectively, the “Defendants”). In their Original Petition, the Plaintiffs assert claims of negligence (on behalf of the listed Insureds) against the Defendants.

2. On February 6, 2020 (the “Petition Date”), the Debtor filed its Voluntary Petition under Chapter 11 of Title 11 of the United States Code (the “Bankruptcy Code”), commencing the bankruptcy case captioned *In re Watson Grinding & Manufacturing Co.*, Case No. 20-30967, pending in the United States Bankruptcy Court for the Southern District of Texas, Houston Division (the “Chapter 11 Bankruptcy Case”).

II. Basis for Removal

3. This Notice of Removal is filed pursuant to 28 U.S.C. § 1452, Bankruptcy Rule 9027, and Local Bankruptcy Rules 9027-1, 9027-2, 9027-3, and the *General Order of Reference* entered by the District Court of this District on March 10, 2005.

4. The State Court Action was initiated after the commencement of the Chapter 11 Case. This Notice of Removal has been timely filed pursuant to Bankruptcy Rule 9027(a)(2). *In re R.E. Loans, LLC*, No. 11-35865, 2012 WL 3262767, at *2 (Bankr. S.D. Tex. Aug. 8, 2012).

5. Venue in this Court is proper pursuant to 28 U.S.C. § 1409.

6. Cases subject to jurisdiction are removable under the authority of 28 U.S.C. § 1452(a) (“A party may remove any claim or cause of action...to the district court for the district where such civil action is pending, if such district court has jurisdiction of such claim or cause of action under section 1334 of this title”). The State Court Action, including all claims and causes of action asserted therein, is a civil action other than a proceeding before the United States Tax Court. The State Court Action is not a civil action by a government unit to enforce such government unit’s police or regulatory power.

7. This Court has jurisdiction over this case pursuant to 28 U.S.C. § 1334(b) (federal district courts have “original jurisdiction of all civil proceedings...arising in or related to cases under title 11”). The State Court Action “arises in” or, alternatively, is “related to” a Title 11 case, *i.e.* the Debtor’s Chapter 11 Bankruptcy Case. In this circuit, “related to” proceedings include any case whose outcome “could *conceivably* have any effect on the administration of the estate.” *In re Wood*, 825 F.2d 90, 93 (5th Cir. 1987) (emphasis added); *In re Baudoin*, 981 F.2d 736, 740 (5th Cir. 1993).

8. The resolution of this State Court Action will have a direct impact on the bankruptcy estate of the Debtor. The State Court Action is related to the Debtor’s Chapter 11 Bankruptcy Case because the outcome of State Court Action could conceivably change the Debtor’s rights, liabilities, or options in a way that would have an effect upon the handling and administration of the bankruptcy estate.

9. Thus, the claims asserted in the State Court Action are claims that arise in or are otherwise related to the Debtor's Chapter 11 Case pursuant to 28 U.S.C. § 1334(b), and removal to this Court is proper pursuant to 28 U.S.C. § 1452(a).

III. Core or Non-Core Bankruptcy Jurisdiction

10. This action involves the administration of the Debtor's estate and is a proceeding affecting the adjustment of the debtor-creditor relationship; it is, therefore, a core proceeding under 28 U.S.C. § 157(b)(2)(A)(B)(C) and (O). The claims and causes of action in the State Court Action have a clear and direct impact on the interests and property of the Debtor's estate under 11 U.S.C. § 541.

11. Upon removal of the State Court Action, the Debtor consents to the entry of final orders or judgment by the bankruptcy judge.

IV. Parties and Notice

12. Pursuant to 28 U.S.C. § 1452(a), Federal Bankruptcy Rule 9027(b), and Local Rule 9027-1, all adverse parties are being provided with a copy of this Notice of Removal and a copy of this Notice of Removal is being filed with the clerk of the 234th Judicial District Court of Harris County, Texas.

13. In accordance with Local Rule 9027-1(a), the names and addresses of the parties and counsel in the State Court Action, who have or will be served with the notice, are as follows:

Cozen O'Connor
Jason S. Schulze
LyondellBasell Tower, Suite 2900
1221 McKinney Street
Houston, Texas 77010

ATTORNEYS FOR PLAINTIFFS

V. Process and Pleadings

14. Pursuant to Bankruptcy Rule 9027(a)(1) and Local Bankruptcy Rule 9027-1(b), true and correct copies of all process and pleadings filed in the State Court Action (as set forth in the attached Exhibit “A”) have been provided to this Court.

15. In the State Court Action, citations were issued on June 25, 2020, on all the Defendants. One return of citation has been filed for Matheson.

16. In accordance with Bankruptcy Rule 9027(c), the Debtor will promptly file a notice of the filing of this Notice of Removal in the State Court Action.

WHEREFORE, the Debtor notifies the United States Bankruptcy Court for the Southern District of Texas, Houston Division, that the State Court Action is hereby removed in its entirety to this Court pursuant to 28 U.S.C. § 1452(a) and Bankruptcy Rule 9027.

Dated: July 6, 2020.

Respectfully submitted,

JONES MURRAY & BEATTY, LLP

By: /s/ Ruth Van Meter

Erin E. Jones

Texas Bar No. 24032478

Ruth Van Meter

Texas Bar No. 20661570

4119 Montrose Blvd, Suite 230

Houston, Texas 77006

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**PROPOSED SPECIAL COUNSEL FOR JANET
S. NORTHRUP, CHAPTER 11 TRUSTEE OF
THE ESTATE OF WATSON GRINDING &
MANUFACTURING CO.**

AND

McCOY LEAVITT LASKEY LLC

By: /s/ Michael I. Ramirez
Michael I. Ramirez
Texas Bar No. 24008604
20726 Stone Oak Parkway, Suite 116
San Antonio, TX 78258
Telephone (210) 446-2828
Fax (262) 522-7020
mramirez@mlllaw.com

**COUNSEL FOR WATSON GRINDING &
MANUFACTURING CO.**

CERTIFICATE OF SERVICE

I certify that on July 6, 2020, a true and correct copy of the foregoing Notice was served via ECF/PACER to all parties registered to receive such service and on July 7, 2020, via first class mail (without attachments) to the following:

Cozen O'Connor
Jason S. Schulze
LyondellBasell Tower, Suite 2900
1221 McKinney Street
Houston, Texas 77010

ATTORNEYS FOR PLAINTIFFS

/s/ Ruth Van Meter
Ruth Van Meter

EXHIBIT A

2020-37921

COURT: 234th

FILED DATE: 6/24/2020

CASE TYPE: Other Injury or Damage



CLEAR BLUE INSURANCE COMPANY

Attorney: SKAGGS, JAKE P

VS.

WATSON VALVE SERVICES INC

Docket Sheet Entries

Date

Comment

CAUSE NO. _____

CLEAR BLUE INSURANCE §
 COMPANY, UNITED PROPERTY & §
 CASUALTY INSURANCE COMPANY, §
 GEOVERA SPECIALTY INSURANCE §
 COMPANY, WESTCHESTER §
 SURPLUS LINES, ACE AMERICAN §
 INSURANCE COMPANY, CHUBB §
 LLOYDS INSURANCE COMPANY OF §
 TEXAS, CHUBB NATIONAL §
 INSURANCE COMPANY, MERIDIAN §
 SECURITY INSURANCE COMPANY, §
 SPINNAKER INSURANCE COMPANY, §
 INSURORS INDEMNITY COMPANY, §
 VELOCITY RISK UNDERWRITERS, §
 INC., ZURICH AMERICAN §
 INSURANCE COMPANY, CERTAIN §
 UNDERWRITERS AT LLOYDS, §
 LONDON SUBSCRIBING TO POLICY §
 HVH-0002244-1, CERTAIN §
 UNDERWRITERS AT LLOYDS, §
 LONDON SUBSCRIBING TO POLICY §
 NOS. AMR-62258-01, AMR-66045, §
 AMR-64314-01, INDIAN HARBOR §
 INSURANCE COMPANY, QBE §
 SPECIALTY INSURANCE COMPANY, §
 STEADFAST INSURANCE COMPANY, §
 GENERAL SECURITY INDEMNITY §
 COMPANY OF ARIZONA, UNITED §
 SPECIALTY INSURANCE COMPANY, §
 LEXINGTON INSURANCE §
 COMPANY, SAFETY INSURANCE §
 COMPANY, HDI GLOBAL §
 SPECIALTY SE, OLD REPUBLIC §
 UNION INSURANCE COMPANY, §
 TOKIO MARINE KILN, AMERICAN §
 SECURITY INSURANCE COMPANY, §
 VOYAGER INDEMNITY INSURANCE §
 COMPANY, AMERICAN BANKERS §
 INSURANCE COMPANY OF §
 FLORIDA, SENTRY INSURANCE A §
 MUTUAL COMPANY, PENN §
 AMERICAN INSURANCE COMPANY, §
 UNITED NATIONAL INSURANCE §
 COMPANY, STARR INDEMNITY & §

IN THE DISTRICT COURT

HARRIS COUNTY, TEXAS

**LIABILITY COMPANY,
METROPOLITAN PROPERTY &
CASUALTY COMPANY, UNITRIN
PREFERRED INSURANCE
COMPANY, PRIVILEGE
UNDERWRITERS RECIPROCAL
EXCHANGE, FEDNAT INSURANCE
COMPANY, AND UNIVERSAL
INSURANCE COMPANY OF NORTH
AMERICA,**

Plaintiffs,

JUDICIAL DISTRICT

V.

**WATSON VALVE SERVICES, INC.,
WATSON GRINDING AND
MANUFACTURING CO., KMHJ, LTD,
KMHJ MANAGEMENT COMPANY,
LLC, WESTERN INTERNATIONAL
GAS & CYLINDERS, INC. AND
MATHESON TRI-GAS, INC.,**

Defendants.

PLAINTIFFS' ORIGINAL PETITION AND REQUEST FOR DISCLOSURE

COMES NOW Plaintiffs, Clear Blue Insurance Company, United Property & Casualty Insurance Company, GeoVera Specialty Insurance Company, Westchester Surplus Lines, ACE American Insurance Company, Chubb Lloyds Insurance Company of Texas, Chubb National Insurance Company, Meridian Security Insurance Company, Spinnaker Insurance Company, Insurors Indemnity Company, Velocity Risk Underwriters, Inc., Zurich American Insurance Company, Certain Underwriters at Lloyds, London Subscribing to Policy HVH-0002244-1, Certain Underwriters at Lloyds, London Subscribing to Policy Nos. AMR-62258-01, AMR-66045, AMR-64314-01, Indian Harbor Insurance Company, QBE Specialty Insurance Company, Steadfast Insurance Company, General Security Indemnity Company of Arizona, United Specialty Insurance Company, Lexington Insurance Company, Safety Insurance Company, HDI Global Specialty SE, Old Republic Union Insurance Company, Tokio Marine Kiln, American Security

Insurance Company, Voyager Indemnity Insurance Company, American Bankers Insurance Company of Florida, Sentry Insurance a Mutual Company, Penn American Insurance Company, United National Insurance Company, Starr Indemnity & Liability Company, Metropolitan Property & Casualty Company, Unitrin Preferred Insurance Company, Privilege Underwriters Reciprocal Exchange, Fednat Insurance Company, and Universal Insurance Company of North America (hereinafter referred to as “Plaintiffs” or “Insurers”) complaining of Defendants Watson Valve Services, Inc., Watson Grinding and Manufacturing Co., KMHJ, Ltd, KMHJ Management Company, LLC, Western International Gas & Cylinders, Inc. and Matheson Tri-Gas, Inc. and in support of their causes of action shall show unto this Court as follows:

I. DISCOVERY CONTROL PLAN

1. Plaintiffs request that this matter be governed under a Level 3 discovery control plan and the Court enter a docket control order for this matter.

II. PARTIES

A. Introductory Statement

2. Plaintiffs are insurance companies that, at all times relevant hereto, provided insurance policies that insured, among other things, real property, personal property and automobiles that were damaged in the January 24, 2020 explosion at Defendants Watson Valve Services, Inc.’s and Watson Grinding and Manufacturing Co.’s facility (the “Facility”) located at 4525 Gessner Road, Houston, Texas. A majority of the Plaintiffs named in this petition insured multiple properties that sustained damages as a result of the explosion. As such, Plaintiffs have listed each first-party claim submitted as a result of the explosion.

B. Plaintiffs

3. Plaintiffs:

a. Clear Blue Insurance Company is an insurance company that, at all times relevant hereto, provided a policy of insurance that insured, among other things, the real and personal property located at the following loss locations with the associated named insured as listed in the policy:

NO.	Insured's Name	Loss Location	Claim Amount
1.	Michael Carpino	4440 Stanford Ct Houston, TX 77041	\$219,006.73
2.	Freddy Medardo Martinez Sanchez	10257 Cottage Field Rd Houston, TX 77041	\$210,448.85
3.	Joyce Brooks	4803 Misty Shadows Houston, TX 77041	\$2,435.06
4.	Chris Manzke	10321 Colony Ct Houston, TX 77041	\$41,128.90
5.	Rosalie Holland	10307 Bridgeland Ln Houston, TX 77041	\$206,856.22
6.	Luz Torres	4919 Kentwalk Dr Houston, TX 77041	\$15,331.46
7.	Marta Luevano	10415 Eagle Glen Dr Houston, TX 77041	\$7,629.75
8.	Ken Endo	10306 Bridgeland Ln Houston, Texas, 77041	\$156,835.63
9.	Tuyet Banh	10251 Sunwood Dr Houston, Texas, 77041	\$36,676.65
10.	Deztini O Southall	10260 Cottage Field Rd Houston, TX 77041	\$209,142.45
11.	Antonio Munoz	10606 Spring Brook Dr Houston, TX 77041	\$65,722.78
12.	Crisoforo Torres	10261 Rockrest Dr Houston, TX 77041	\$223,708.00
13.	Colleen Price	10259 Sunwood Dr Houston, TX 77041	\$192,364.04

NO.	Insured's Name	Loss Location	Claim Amount
14.	Ana Castro	4405 Terrace Manor Dr Houston, TX 77041	\$7,226.57
15.	Ramiro Zuniga	4504 Stanford Ct Houston, TX 77041	\$332,903.53
16.	Marilyn Cue	10411 Lybert Rd Houston, TX 77041	\$5,567.67
17.	Rosa Gutierrez	10253 Cottage Field Rd Houston, TX 77041	\$133,488.99
18.	Tommy Vo	10338 Juniper Glen Houston, TX 77041	\$20,104.95
19.	Natalie Boughal	4818 Kentwalk Dr. Houston, TX 77041	\$82,555.35
20.	Jose E Giron	4919 Shadowdale Dr Houston, TX 77041	\$28,371.12
21.	Wilmer Rivera	10418 Rockcrest Dr Houston, TX 77041	\$10,604.59
22.	Jose Rodriguez	10322 Juniper Glen Dr Houston, TX 77041	\$2,962.84
23.	Jamie Batres	10253 Sunwood Dr. Houston, TX 77041	\$270,660.50
24.	Griselda Mejia-Perez	10317 Sommerville Ave Houston, Texas, 77041	\$184,109.28
25.	Ronald Gonzalez	10311 Heatherford Ct Houston, TX 77041	\$10,094.08
26.	Eduardo Soto	5002 Cottonglen Ct Houston, TX 77041	\$1,089.28
27.	Benjamin Allen	10511 N Newpark Dr Houston, Texas, 77041	\$1,349.80
28.	Kenneth Mills	10407 Clear Cove Ln Houston, TX 77041	\$9,800.00
29.	Milagro Ordonez	4409 Terrace manor Dr Houston, TX 77041	\$39,642.79
30.	Victor Quijada	10253 Rockcrest Dr Houston, TX 77041	\$275,938.45
31.	Maria Prudencio	10326 Colony Ct Houston, TX 77041	\$11,438.04
32.	Long Nguyen	10330 Juniper Glen Dr Houston, TX 77041	\$5,021.85

NO.	Insured's Name	Loss Location	Claim Amount
33.	Tran Huynh	5035 E Pagewick Dr Houston, TX 77041	\$664.08
34.	Hoai Pham	10338 Lone Brook Dr Houston, TX 77041	\$97,170.11
35.	Nora Garcia	10262 Cottage Field Rd Houston, TX 77041	\$174,844.36
36.	Duc Trong	5027 E Pagewick Dr Houston, TX 77041	\$16,169.23
37.	Massiel Nunez	10256 Sunwood Dr Houston, TX 77041	\$197,742.32
38.	Liliana Rodriguez	10426 Bridgeland Lane Houston, TX 77041	\$318,918.22
39.	Chanh Thai	4346 Talina Way Houston, TX 77041	\$1,478.06
40.	Manh C Tran	4611 Misty Shadows Dr Houston, TX 77041	\$568.11
41.	Mary Contreras	10827 Heatherford Dr Houston, TX 77041	\$145.57
42.	Khanh Nguyen	4803 Shadowdale Dr Houston, TX 77041	\$13,505.23
43.	Karina Moreno	10626 Clear Cove Ln Houston, Texas, 77041	\$2,884.00
44.	Barbara Bassett	9643 Longmont Dr Houston, TX 77063	\$3,539.61
45.	Hung Tran	10406 Eagle Glen Dr Houston, TX 77041	\$3,838.70
46.	Debra Williams	10110 Morocco Rd Houston, TX 77041	\$6,549.90
47.	Laura Magallanes	15717 Acapulco Dr Jersey Village, TX 77040	\$2,332.01
48.	Anne Ormsby	3011 Triway Ln Houston, TX 77043	\$3,100.00
49.	Michael Makris	1366 Bullock Lane Houston, TX 77055	\$3,028.00
50.	Marcelino Garcia Jr	4810 Tenderwood Dr Houston, Tx 77041	\$5,176.36
51.	Karla Parra	4514 Laureldale Rd Houston, TX 77041	\$1,793.32

NO.	Insured's Name	Loss Location	Claim Amount
52.	Melva Hernandez (Claim No. SWYCBHO01332)	10313 Colony Ct Houston, Texas, 77041	\$5,374.60
53.	Melva Hernandez (Claim No. SWYCBHO03229)	10313 Colony Ct Houston, Texas, 77041	\$3,200.00
54.	Christie Bonczek	2914 Fontana Dr Houston, Texas, 77043	\$2,338.87
55.	Judith Mahinay	3131 Skypark Dr Houston, TX 77082	\$2,636.80
56.	Santos Obregon	10314 Brickyard Ct Houston, TX 77041	\$1,251.42
57.	Leyna Ho	4931 Shadowdale Dr Houston, TX 77041	\$5,897.70
58.	Jeannette Castillo	2734 Triway Ln Houston, TX 77043	\$6,122.44
59.	Santos B Leon	10423 Lybert Rd Houston, TX 77041	\$2,444.91
60.	Adriana Caballero	2927 Bernadette Ln Houston, TX 77043	\$5,000.00
61.	Maria Lopez	4716 Hollow Hook Rd Houston, TX 77041	\$3,200.00
62.	Kiet Hong	4807 E. Laureldale Dr. Houston, TX 77041	\$3,200.00

b. United Property & Casualty Insurance Company is an insurance company that, at all times relevant hereto, provided a policy of insurance that insured, among other things, the real and personal property located at the following loss locations with the associated named insured as listed in the policy:

NO.	Insured's Name	Loss Location	Claim Amount
1.	William Pursley	10265 Bridgeland Lane Houston, TX 77041	\$168,065.69
2.	Thanh Pham	4922 E. Laureldale Dr. Houston, TX 77041	\$48,358.13
3.	Andrea Horton	10307 Lybert Road Houston, TX 77041	\$98,527.70

NO.	Insured's Name	Loss Location	Claim Amount
4.	Ramon Cortez	4823 Shadowdale Dr. Houston, TX 77041	\$13,489.73
5.	Davney Fong	10312 Lone Brook Dr. Houston, TX 77041	\$49,342.22
6.	Ayusha Bafna	10507 Eigel Glen Dr. Houston, TX 77041	\$38,905.31
7.	Susan Casey	4529 Terrace Manor Dr. Houston, TX 77041	\$5,216.82
8.	Alvaro Arzate	10311 Bell Gardens Dr. Houston, TX 77041	\$28,640.83
9.	William Davison	10727 Clear Cove Lane Houston, TX 77041	\$2,864.59
10.	Dung Tran	10718 Spring Brook Dr. Houston, TX 77041	\$4,941.62
11.	Nhan Cao	5019 E. Pagewick Drive Houston, TX 77041	\$5,873.75
12.	Tuyen Nguyen	10522 Eagle Glen Dr. Houston, TX 77041	\$7,651.92
13.	Han Lee	4714 Newpark Dr. Houston, TX 77041	\$484.58

c. GeoVera Specialty Insurance Company is an insurance company that, at all times relevant hereto, provided a policy of insurance that insured, among other things, the real and personal property located at the following loss locations with the associated named insured as listed in the policy:

NO.	Insured's Name	Loss Location	Claim Amount
1.	Vui Huynh	10602 Lone Brook Dr. Houston, TX 77041	\$10,121.20
2.	Brisa Vazquez	4426 Standford Ct. Houston, TX 77041	\$58,525.57
3.	Miguel Garcia	5010 Hollow Hook Rd. Houston, TX 77041	\$2,024.93
4.	Mei-Yu Chen	5015 Cottonglen Ct. Houston, TX 77041	\$34,086.22
5.	Dagfly TX, LLC	4807 Shadowdale Dr. Houston, TX 77041	\$22,004.22
6.	Guadenci Nazaro	4502 Talina Way Houston, TX 77041	\$32,296.23

NO.	Insured's Name	Loss Location	Claim Amount
7.	Tina Do	4325 Talina Way Houston, TX 77041	\$6,661.04
8.	Erica Rincon Lopez	10311 Goodrum Rd. Houston, TX 77041	\$11,275.33
9.	Manual & Maria Ramirez	10503 Clear Cove Ln. Houston, TX 77041	\$8,147.88
10.	Sara Gloria	10403 Rockcrest Rd. Houston, TX 77041	\$15,028.19
11.	Sulma Bejarano	4437 Talina Way Houston, TX 77041	\$8,998.27
12.	Marcel Beausoleil	10314 Gladewood Dr. Houston, TX 77041	\$18,720.40
13.	Phuc Le & Linh Truong	4907 Shadowdale Dr. Houston, TX 77041	\$10,961.48
14.	Eliria Ramirez	10302 Juniper Glen Dr. Houston, TX 77041	\$9,536.56
15.	Pedro Contreras	10334 Lone Brook Dr. Houston, TX 77041	\$20,290.97
16.	Mervin Albania	10265 Rockcrest Dr. Houston, TX 77041	\$194,516.79
17.	Dean Enright (Claim No. 2024209354)	10326 Bell Gardens Dr. Houston, TX 77041	\$8,143.02
18.	Dean Enright (Claim No. 2024209355)	10325 Bell Gardens Dr. Houston, TX 77041	\$32,531.27
19.	Moises Rodriguez	10515 Rockcrest Road Houston, TX 77041	\$9,565.23
20.	Jose Ramos	10256 Cottage Field Rd Houston, TX 77041	\$20,038.49
21.	Lynn Edward Donovan	10322 Gladewood Dr. Houston, TX 77041	\$26,152.08
22.	Hector Cervantes	4618 Talina Way Houston, TX 77041	\$42,788.96
23.	Eduardo Dolpher (Claim No. 2024209367)	10312 Richmond Hill Dr. Houston, TX 77041	\$39,285.43
24.	Eduardo Dolpher (Claim No. 2024209368)	10318 Bridgeland Ln. Houston, TX 77041	\$42,430.54

d. Westchester Surplus Lines is an insurance company that, at all times relevant hereto, provided a policy of insurance that insured, among other things, the real and personal property located at the following loss locations with the associated named insured as listed in the policy:

NO.	Insured's Name	Loss Location	Claim Amount
1.	McKenna Contracting	4603 Steffani Ln. Houston, TX 77041	\$466,035.49
2.	Campbell JS Ventures	5619 Campbell Houston, TX 77041	\$8,382.83

e. ACE American Insurance Company is an insurance company that, at all times relevant hereto, provided a policy of insurance that insured, among other things, the real and personal property located at the following loss locations with the associated named insured as listed in the policy:

NO.	Insured's Name	Loss Location	Claim Amount
1.	TIC Properties LLC	3993 W. Sam Houston Houston, TX 77041	\$5,406.79
2.	Invesco Advisers Inc.	3550 Brittmore Houston, TX 77041	\$1,504.67

f. Chubb Lloyds Insurance Company of Texas is a foreign insurance company that, at all times relevant hereto, provided a policy of insurance that insured, among other things, the real and personal property located at the following loss locations with the associated named insured as listed in the policy:

NO.	Insured's Name	Loss Location	Claim Amount
1.	Michael Chargois	711 E. Friar Tuck Houston, TX 77024	\$9,912.26

g. Chubb National Insurance Company is a foreign insurance company that, at all times relevant hereto, provided a vehicle policy of insurance that insured, among other things, a 2015 GMC Yukon XL Denali, 1961 Buick LeSabre and 1976 Jeep Cherokee, owned by Chubb National Insurance Company's insureds, Michael and Anna Kamins. At the time of the explosion, the vehicles were stored at a warehouse located at 4406 Steffani Ln., Houston, TX and sustained damages as a result of the explosion.

NO.	Insured's Name	Loss Location	Amount
1.	Michael and Ann Kamins	4406 Steffani Ln. Houston, TX	\$11,560.97

h. Meridian Security Insurance Company is an insurance company that, at all times relevant hereto, provided a policy of insurance that insured, among other things, the real and personal property located at the following loss locations with the associated named insured as listed in the policy:

NO.	Insured's Name	Loss Location	Claim Amount
1.	Melissa Alvarez	10322 Richmond Hill Dr., Houston, TX 77041	\$67,502
2.	Dung Pham	10318 Richmond Hill Dr., Houston, TX 77041	\$98,573
3.	Marta Molina	4418 Stanford Ct. Houston, TX 77041	\$60,565

i. Spinnaker Insurance Company is an insurance company that, at all times relevant hereto, provide a policy of insurance that insured, among other things, the real and personal property located at the following loss location with the associated named insured as listed in the policy:

NO.	Insured's Name	Loss Location	Claim Amount
1.	Brian & Edna Buntz	4431 Terrace Manor Dr. Houston, TX 77041	\$15,100.10

j. Insurors Indemnity Company is an insurance company that, at all times relevant hereto, provided a policy of insurance that insured, among other things, the real and personal property located at the following loss location with the associated named insured as listed in the policy:

NO.	Insured's Name	Loss Location	Claim Amount
1.	Mary & James Bostick	10514 Ivy Oaks Ln. Houston, TX 77041	\$4,426.54

k. Velocity Risk Underwriters, Inc. is an insurance company that, at all times relevant hereto, provided a policy of insurance that insured, among other things, the real and personal property located at the following loss locations with the associated named insured as listed in the policy:

NO.	Insured's Name	Loss Location	Claim Amount
1.	Sharon Svehla	4831 Misty Shadows Dr. Houston, TX 77041	\$1,915.98
2.	Pedro Montoya	4423 Terrace Manor Dr. Houston, TX 77041	\$83,819.89
3.	Yvonne Rodriguez	5114 E. Fallen Bough Dr. Houston, TX 77041	\$2,139.73
4.	Lin Indrio, LLC	5005, 5015, & 5025 Gessner Rd Houston, TX 77041	\$7,170.69
5.	Jerry Waddles	17231 Buffalo Pass Dr. Houston, TX 77095	\$6,509.29

1. Zurich American Insurance Company is an insurance company that, at all times relevant hereto, provided a policy of insurance that insured, among other things, the real and personal property located at the following loss locations with the associated named insured as listed in the policy:

NO.	Insured's Name	Loss Location	Claim Amount
1.	Carson Estate Trust	10350 Clay Rd Houston, TX 77041	\$1,307,611.62
2.	Ericks Corporation	10350 Clay Rd. Houston, TX 77041	\$140,000.00
3.	Michelle Christopherson	10326 Brickyard Ct. Houston, TX 77041	\$2,145.65
4.	Jeanne Merritt	10248 Bridgeland Ln. Houston, TX 77041	\$155,551.39

m. Certain Underwriters at Lloyds, London Subscribing to Policy No. HVH-0002244-1 is a foreign insurance company that, at all times relevant hereto, insured the following loss location with the associated named insured as listed in the policy:

NO.	Insured's Name	Loss Location	Claim Amount
1.	Bich Nga Le	10326 Lone Brook Dr. Houston, TX 77041	\$15,000.00

n. Certain Underwriters at Lloyds, London Subscribing to Policy Nos. AMR-62258-01, AMR-66045 and AMR-64314-01; Indian Harbor Insurance Company; QBE Specialty Insurance Company; Steadfast Insurance Company; General Security Indemnity Company of Arizona; United Specialty Insurance Company; Lexington Insurance Company; Safety Insurance Company; HDI Global Specialty SE; and Old Republic Union Insurance Company are insurance carriers that owned an interest in three all-risks insurance policies that insured the property portfolio owned and/or managed by Ancorian Management, LLC, Clay Real Estate Mgt. Corp. and Four Seasons Development Co., Inc.:

NO.	Insured's Name	Loss Location	Claim Amount
1.	Ancorian Management, LLC	10100 Clay Rd. Houston, TX 77080	\$804,183.95
2.	Clay Real Estate Mgt. Corp.	5520 Clara Road Houston, TX 77041	\$12,719.49
3.	Four Seasons Development Co., Inc.	5821 W. Sam Houston Pkwy N. Houston, TX 77041	\$3,247.37

o. Tokio Marine Kiln is a foreign insurance company that, at all times relevant hereto, provided a policy of insurance that insured, among other things, the real and personal property located at the following loss locations with the associated named insured as listed in the policy:

NO.	Insured's Name	Loss Location	Claim Amount
1.	Mark & Ruth Hanson	10242 Bridgeland Ln Houston, TX 77041	\$152,598.83
2.	Eric Young	10318 Sommerville Ave. Houston, TX 77041	\$29,637.46

p. American Security Insurance Company is an insurance company that, at all times relevant hereto, provided a policy of insurance that insured, among other things, the real and personal property located at the following loss locations with the associated named insured as listed in the policy:

NO.	Insured's Name	Loss Location	Claim Amount
1.	Jesus Catacora	5126 E Fallen Bough Dr. Houston, TX 77041	\$1,568.21
2.	Ruven Zuno Villadolid	10309 Bridgeland Lane Houston, TX 77041	\$31,651.56
3.	Martin Rodriguez	10323 Heatherford CT Houston, TX 77041	\$56,456.04
4.	Francisco Olivo	10303 Lone Brook Drive Houston, TX 77041	\$81,910.00
5.	Noe Rodriguez Alvarado	4827 E Laureldale Drive Houston, TX 77041	\$7,359.86
6.	Pedro Perez	10527 White Fawn Drive Houston, TX 77041	\$8,529.69
7.	Marina Van Arcken	10332 Bridgeland Lane Houston, TX 77041	\$59,716.03
8.	Jesus Rincon	10602 Heatherford Drive Houston TX 77041	\$1,946.31
9.	Eusebio Diaz	10254 Field Stone Drive Houston TX 77041	\$73,329.00
10.	Gilbert Orellana	10260 Valleywood Drive Houston TX 77041	\$82,883.93
11.	Gilbert Peno	10634 Juniper Glen Drive Houston TX 77041	\$5,802.49
12.	Maria Matias	4807 Tenderwood Drive Houston, TX 77041	\$18,398.10

q. Voyager Indemnity Insurance Company is an insurance company that, at all times relevant hereto, provided a policy of insurance that insured, among other things, the real and business personal property located at the following loss location with the associated named insured as listed in the policy:

NO.	Insured's Name	Loss Location	Claim Amount
1.	S&A Computer Systems	10034 Clay Road Houston, TX 77041	\$22,707.28

r. American Bankers Insurance Company of Florida is an insurance company that provided renter's insurance and vehicle insurance for the following loss locations with the associated named insured under the policy:

NO.	Insured's Name	Loss Location	Claim Amount
1.	Yosliver Aztiazarain	10258 Cottage Field Rd Houston, TX 77041	\$3,673.50
2.	Mazel Tucker	1200 Northwood Dr, Apt 801 Baytown, TX 77521	\$322.70
3.	Susan Caldwell	10319 Heatherford Court Houston, TX 77041	\$7,891.04
4.	William Going (vehicle claim)	12131 Tara Drive Houston TX 77041	\$4,794.50
5.	Noah Johnson (vehicle claim)	4537 Steffani Lane Houston, TX 77041	\$10,853.57

s. HDI Global Specialty SE is an insurance company that, at all times relevant hereto, provided a policy of insurance, individually and not as a subscriber to a quota-share policy, that insured, among other things, the real and personal property located at the following loss locations with the associated named insured as listed in the policy:

NO.	Insured's Name	Loss Location	Claim Amount
1.	Valeriano Mendoza	10328 Colony Court Houston, Texas 77041	\$12,719.49
2.	Justin Williams	10310 Richmond Hill Dr. Houston, TX 77041	\$35,669.59

NO.	Insured's Name	Loss Location	Claim Amount
3.	Robert Molina	4718 Newpark Dr. Houston, TX 77041	\$12,935.63

t. Sentry Insurance a Mutual Company is a mutual insurance company that, at all times relevant hereto, provided a policy of insurance that insured, among other things, the real and personal property located at the following loss locations with the associated named insured as listed in the policy:

NO.	Insured's Name	Loss Location	Claim Amount
1.	Ramsey and Company	5605 Campbell Road Houston, TX 77041	\$5,156.19
2.	Logik Precision Inc.	5006, 5007 & 5008 Steffani Ln Houston, TX 77041	\$24,818.61

u. Penn American Insurance Company is an insurance company that, at all times relevant hereto, provided a policy of insurance that insured the foregoing loss locations with the associated named insured as listed in the policy:

NO.	Insured's Name	Loss Location	Claim Amount
1.	226 Winkler LLC	4501 Gessner Rd #F-J Houston, TX 77041	\$290,000.00
2.	JPW Enterprises	5611 Campbell Road Houston, TX 77041	\$101,571.59
3.	Manta Corp	9813 La Vista Dr. Houston, TX 77041	\$900.87

v. United National Insurance Company is an insurance company, that at all times relevant hereto, provided a policy of insurance that insured, among other things, the real and personal property located at the following loss locations with the associated named insured as listed in the policy:

NO.	Insured's Name	Loss Location	Claim Amount
1.	Ruth Paita	10324 Bridgeland Ln. Houston, TX 77041	\$46,155.09
2.	Delfino Mendez	4502 Hollow Hook Rd Houston, TX 77041	\$16,764.93
3.	Jesus Sanchez	4517 Talina Way Houston, TX 77041	\$39,436.90
4.	Eduardo Gallegas	10257 Sunwood Dr Houston, TX 77041	\$55,032.83
5.	Flor Delafuente	5134 E Fallen Bough Dr. Houston, TX 77041	\$2,007.78

w. Starr Indemnity & Liability Company is a Texas corporation, that, at all times relevant hereto, provided a policy of insurance that insured, among other things, the real and business personal property located at the following loss location with the associated named insured as listed in the policy:

NO.	Insured's Name	Loss Location	Claim Amount
1.	Igranite, LLC	4368 Gessner Road Houston, TX 77041	\$29,566.10

x. Metropolitan Property & Casualty Company is an insurance company that, at all times relevant hereto, provided a policy of insurance that insured, among other things, the real and personal property located at the following loss location with the associated named insured as listed in the policy:

NO.	Insured's Name	Loss Location	Claim Amount
1.	4LK, Inc.	5213 Tacoma Drive, Bldg. B Houston, TX 77041	\$11,575.11

y. Unitrin Preferred Insurance Company is an insurance company, that at all times relevant hereto, provided a policy of insurance that insured, among other things, the real and personal property located at the following loss location with the associated named insured as listed in the policy:

NO.	Insured's Name	Loss Location	Claim Amount
1.	Ulrich Nussbaum	4438 Talina Way Houston, TX 77041	\$40,256.38

z. Privilege Underwriters Reciprocal Exchange is a reciprocal exchange, that at all times relevant hereto, provided a policy of insurance that insured, among other things, a vehicle that was damaged as a result of the incident. Privilege Underwriters Reciprocal Exchange's insured and location where the vehicle was when it was damaged is listed below:

NO.	Insured's Name	Loss Location	Claim Amount
1.	Paul Mitcham (vehicle claim)	4406 Steffani Ln. Houston, TX 77041	\$49,639.10

aa. Fednat Insurance Company is an insurance company, that at all times relevant hereto, provided a policy of insurance that insured, among other things, the real and personal property located at the following loss locations with the associated named insured as listed in the policy:

NO.	Insured's Name	Loss Location	Claim Amount
1.	Diem Thi Hoang	4710 Shadowdale Dr. Houston, TX 77041	\$28,589.86
2.	Elba Lemus	10325 Richmond Hill Dr. Houston, TX 77041	\$64,943.11
3.	Retta Fitzjarald	10329 Sommerville Ave. Houston, TX 77041	\$16,106.13
5.	Jose Calderon	10603 Ivy Oaks Ln. Houston, TX 77041	\$482.92
7.	Kevin Bonny	10309 Colony Ct. Houston, TX 77041	\$17,813.95
8.	Elissa Patterson	10069 Kemp Forest Dr. Houston, TX 77080	\$2,082.99
9.	Nelson Dos Santos	10258 Field Stone Dr. Houston, TX 77041	\$16,444.93
10.	Maria Duran	10606 Clear Cove Ln. Houston, TX 77041	\$1,637.92

NO.	Insured's Name	Loss Location	Claim Amount
11.	Ji Yaung Kim	4407 Durban Dr. Houston, TX 77041	\$5,522.69

bb. Universal Insurance Company of North America is an insurance company, that at all times relevant hereto, provided a policy of insurance that insured, among other things, the real and personal property located at the following loss location with the associated named insured as listed in the policy:

NO.	Insured's Name	Loss Location	Claim Amount
1.	Geovante Solarte	10623 Colony Court Houston, TX 77041	\$26,799.95

C. Defendants

4. Defendant Watson Valve Services, Inc. ("WV") is a domestic corporation that maintains its principal place of business at 4525 Gessner Road, Houston, Texas 77041. WV may be served with citation and a copy of Plaintiffs' Original Petition by serving its registered agent, to wit: John M. Watson, 4525 Gessner Road, Houston, Texas 77041 or wherever he may be found.

5. Defendant Watson Grinding and Manufacturing Co. ("WGM") is a domestic corporation, company or organization that maintains its principal place of business at 4525 Gessner Road, Houston, Texas 77041. WGM may be served with citation and a copy of Plaintiffs' Original Petition by serving its registered agent, to wit: John M. Watson, 4525 Gessner Road, Houston, Texas 77041 or wherever he may be found.

6. Defendant KMHJ, Ltd is a domestic limited partnership doing business in the State of Texas. KMHJ, Ltd. may be served with citation and a copy of Plaintiffs' Original Petition by serving its registered agent, to wit: KMHJ Management Company, LLC, 1400 McKinney Street, Suite 1212, Houston, Texas 77010.

7. Defendant KMHJ Management Company, LLC is a domestic limited liability company doing business in the State of Texas. KMHJ Management Company, LLC may be served with citation and a copy of Plaintiffs' Original Petition by serving its registered agent, to wit: Kelly Lee Watson, 1400 McKinney Street, Suite 1212, Houston, Texas 77010 or wherever she may be found.

8. Defendant Western International Gas & Cylinders, Inc. ("Western Gas") is a domestic corporation doing business in the State of Texas. Western Gas may be served with citation and Plaintiffs' Original Petition by serving its registered agent, to wit: Denise C. Haugen, 7173 Highway 159 E., Bellville, Texas 77418 or wherever she may be found.

9. Defendant Matheson Tri-Gas, Inc. ("Matheson") is a foreign corporation doing business in the State of Texas. Matheson may be served with citation and a copy of Plaintiffs' Original Petition by serving its registered agent, to wit: CT Corporation, 1999 Bryan Street, Ste. 900, Dallas, Texas 75201.

III. JURISDICTION AND VENUE

10. The Court has subject-matter jurisdiction over this dispute because the aggregate amount in controversy for each plaintiff exceeds the Court's minimum jurisdictional limits.

11. The Court has personal jurisdiction over all defendants because they are domestic corporations, partnerships and/or business organizations or, alternatively, they are foreign corporations, partnerships and/or business organizations that maintained sufficient contacts in and with Texas to satisfy traditional notions of fair play and substantial justice.

12. Venue is proper in this Court because all or substantially all of the acts and/or omissions giving rise to Plaintiffs' claims occurred in Harris County, Texas.

IV. BRIEF STATEMENT OF FACTS

13. On or about Friday, January 24, 2020, at approximately 4:25 a.m., a massive explosion occurred at a manufacturing plant located at 4525 Gessner, Houston, Texas 77041 (the “Facility”). The Facility consisted of several buildings spread over approximately 4 acres.

14. Upon information and belief, WV and WGM were tenants that operated several manufacturing processes at the Facility. WV was primarily engaged in the business of manufacturing industrial valves for the mining business. WGM was primarily engaged in other manufacturing processes and maintenance for oil field and mining equipment.

15. The property and improvements attached thereon at the Facility were owned, operated, maintained and supervised by defendants KMHJ, Ltd. and KMHJ Management Company.

16. The epicenter of the explosion was at a building commonly referred to as the “coatings building.” The coatings building housed several cells or bays where the coating activity would occur. Each bay was equipped with a robotic arm that ignited propylene to heat the coatings material before spraying it on the valves.

17. Propylene is a highly flammable gas with an extremely low “lower explosive limit” that makes using the gas extremely dangerous. The Facility was equipped with a 2,000 gallon propylene tank that was located on the south side of the property. WV and/or WGM used a system of high-pressure piping and valves to move the propylene from the storage tank to the coatings building. Upon information and belief, the valves for the propylene high-pressure piping were left in the open (flow) position the night before the explosion rather than being closed per WV’s and/or WGM’s end-of-shift shutdown procedures.

18. Western Gas and/or Matheson were responsible for selling, delivering and loading the propylene to the 2,000 gallon storage tank. Upon information and belief, Western Gas and/or

Matheson also monitored the gas levels inside the storage tank and received notification when there was a low level of propylene inside the storage tank.

19. The explosion was caused by propylene leak at/or inside the coatings building. Upon information and belief, propylene leaked into the coatings building overnight and was ignited after an employee entered the building shortly before the explosion.

20. It was reported that the blast was heard and felt for over 30 miles. Sadly, the explosion killed several people and injured many other residents living around the Facility. Further, the explosion damaged hundreds of homes, commercial buildings, automobiles and other structures.

21. Plaintiffs are property insurers that insured homes, commercial buildings and automobiles that were damaged by the explosion. After the explosion, Plaintiffs' insureds submitted first-party claims for the damages caused by the explosion. Most Plaintiffs insured several properties that were damaged by the explosion and received multiple first-party claims. The first-party claims have been adjusted or continue to be adjusted and Plaintiffs' have paid to or on behalf of their insureds money to repair the damages. Plaintiffs' insurance policies provide that, upon payment of a covered loss, the insureds' rights and causes of action against any responsible party are transferred to Plaintiffs. Thus, after making payments for a covered loss, Plaintiffs are contractually subrogated to the rights of their insureds.

22. Alternatively, Plaintiffs satisfied a debt (property damage) that was owed to its insureds by third-parties. Upon satisfaction of that debt, Plaintiffs are equitably subrogated to the rights and causes of action of their insureds.

V. CAUSES OF ACTION

A. **Count One: Negligence of WV and WGM**

23. WV and WGM, their employees, agents and servants owed Plaintiffs the same duty of care that a reasonably prudent owner and operator of an industrial valve manufacturing and maintenance company that maintained and stored extremely dangerous propylene would owe to neighboring property owners. WV and WGM breached their duty of care in one or more of the following manners:

- a. Failing to properly inspect and maintain the propylene piping, when such inspections and maintenance would have corrected and repaired any leaks;
- b. Failing to have an adequate leak detection system for the 2,000 gallon propylene tank that would have alerted employees and the surrounding residents about the existence of a propylene leak;
- c. Failing to employ appropriate and safe shutdown procedures, where such procedures would have stopped the flow of propylene during non-working hours;
- d. Failing to adequately and properly repair any pre-existing leaks;
- e. Failing to properly inspect and maintain the coatings robots and all associated propylene piping located inside the coatings building—including piping segments that experienced a history of leaks—when such inspections and maintenance would have prevented leaks from occurring;
- f. Failing to have a properly operating lower explosive limit detection system that would have detected the leaking propylene; and
- g. Other acts of negligence that will be more fully identified during the course of discovery.

24. Each of the foregoing acts and/or admissions, whether taken singularly or in any combination, constituted a breach of WV's and WGM's duty of care. WV's and WGM's breach was a proximate cause of Plaintiffs' damages.

B. Count Two: Negligence of KMHJ, Ltd. and KMHJ Management Company

25. Defendants KMHJ, Ltd and KMHJ Management Company (collectively referred to here as “KMHJ”) owed Plaintiffs the same duty of care as a reasonably prudent owner of an industrial property that used, stored and maintained a highly combustible gas such as propylene would owe to neighboring property owners. Upon information and belief, KMHJ knew or should have known that its tenants (WV and WGM) were operating a propylene gas piping system that was in poor condition, had sustained several leaks and had an inoperative low explosive limit detection system. KMHJ’s failure to act as a reasonably prudent property owner was a proximate cause of Plaintiffs’ damages.

C. Count Three: Negligence of Western Gas and Matheson

26. Defendants Western Gas and Matheson (collectively referred to here as “Western Gas”) owed Plaintiffs the same duty of care that a reasonably prudent propylene retailer and supplier would owe to neighboring property owners of the Facility that it serviced and supplied propylene. Western Gas breached its duty of care in one or more of the following manners:

- a. Failing to properly monitor the propylene storage tank at the Facility;
- b. Continuing to supply propylene gas to WV and/or WGM when it knew or should have known that the propylene piping system was unsafe and had experienced leaks;
- c. Continuing to supply propylene gas to WV and/or WGM when it knew or should have known that the propylene system was not equipped with a lower explosive limit leak detection system with a functioning auditory alarm;
- d. Continuing to supply propylene gas to WV and/or WGM when it knew or should have known that the coatings building was not compliant with the National Electric Code and/or the National Fuel Gas Code for buildings that use flammable gases and liquids; and
- e. Other acts of negligence that will be more fully identified and described during the course of discovery.

27. Each of the foregoing acts and/or omissions, whether taken singularly or in any combination, constituted a breach of Western Gas's duty of care. Western Gas's breach of care was a proximate cause of Plaintiffs' damages.

VI. DAMAGES

28. As a direct and proximate result of the foregoing acts and/or omissions, Plaintiffs sustained damages for:

- a. Costs to repair structural damages to homes and commercial properties;
- b. Costs to repair or replace personal property, including vehicles;
- c. Additional expenses and living expenses that were incurred while any property was uninhabitable;
- d. Lost revenue for commercial businesses that were unable to conduct normal operations until the property was repaired;
- e. Costs of court; and
- f. Pre- and post-judgment interest.

VII. NOTICE UNDER TEXAS RULE OF CIVIL PROCEDURE 193.7

29. Pursuant to Texas Rule of Civil Procedure 193.7, Defendants are notified that any documents produced in response to written discovery will be used in pretrial proceedings and trial and will be deemed authentic unless Defendants make a valid objection to authenticity.

VIII. RULE 194 REQUEST FOR DISCLOSURE

30. Pursuant to Texas Rule of Civil Procedure 194.1, et seq., Defendants are requested to provide the information and material described in Texas Rule of Civil Procedure 194.2 within 50 days of service of Plaintiffs' Original Petition.

IX. JURY DEMAND

31. Plaintiffs request trial by jury and have tendered the appropriate jury fee.

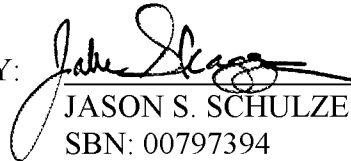
X. PRAYER

FOR THESE REASONS, Plaintiffs request that citations be issued and Defendants be made to appear herein and, after a jury trial of the merits, that a final judgment be entered in favor of Plaintiffs against Defendants, jointly and severally, for Plaintiffs' actual damages, costs of court, prejudgment interest and post-judgment interest and for all other relief for which Plaintiffs may be justly entitled to.

Respectfully submitted,

COZEN O'CONNOR

BY:



JASON S. SCHULZE

SBN: 00797394

JAKE P. SKAGGS

SBN: 24033072

LyondellBasell Tower, Suite 2900

1221 McKinney Street

Houston, Texas 77010

Phone: 832.214.3916

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Email: jskaggs@cozen.com

ATTORNEYS FOR PLAINTIFFS



I, Marilyn Burgess, District Clerk of Harris County, Texas certify that this is a true and correct copy of the original record filed and or recorded in my office, electronically or hard copy, as it appears on this date.

Witness my official hand and seal of office this June 26, 2020

Certified Document Number: 91068392 Total Pages: 26

Marilyn Burgess, DISTRICT CLERK
HARRIS COUNTY, TEXAS

In accordance with Texas Government Code 406.013 electronically transmitted authenticated documents are valid. If there is a question regarding the validity of this document and or seal please e-mail support@hcdistrictclerk.com